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INFO RUEHZK/ECOWAS COLLECTIVE
RUEHLMC/MILLENNIUM CHALLENGE CORP
RUEHFR/AMEMBASSY PARIS 1054
RUEHBJ/AMEMBASSY BEIJING 0110

UNCLAS COTONOU 000162

SIPDIS

SIPDIS SENSITIVE

DEPT FOR AF/RSA (DEPSTEIN)
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PARIS FOR D'ELIA

E.O. 12958: N/A

TAGS: PGOV PREL ECON EAID CH BN

SUBJECT: BENIN'S COOPERATION WITH CHINA

REF: A) STATE 24937, B) 06 COTONOU 918, C) COTONOU 92, D) 06 COTONOU

1118

11. (SBU) SUMMARY: In response to REF A, Benin and China have a strong and growing diplomatic, economic, and military relationship. According to the Economist Intelligence Unit, in 2005 an estimated 32% of Beninese exports went to China and 39% of Beninese imports originated there, making China now Benin's largest trading partner. Since 1972, China has provided 200 million U.S. dollars worth of aid to Benin. China has major bilateral assistance projects ongoing in Benin. There is no US/China project in Benin at this time. The US and China cooperate only in country-level multilateral fora, including a donor's monthly coordination meeting, during which both long- and short-term projects, such as support for Benin's upcoming legislative elections, are discussed. END SUMMARY.

BILATERAL COOPERATION

- 12. (SBU) President Yayi makes no secret of his admiration for China. Yayi and a large government delegation visited China August 28 September 2, 2006 (REF B) to view the results of China's economic and agricultural development and to meet high-ranking government officials and businesspeople, including the President of the China National Offshore Oil Corporation (CNOOC) and staff. China and Benin have projects in agriculture, infrastructure, telecommunications and energy, and health. They have discussed "enhancing coordination in international affairs," according to an official communiqu released after Yayi's visit six months ago. Yayi returned to China to participate in the China Africa summit in November 2006.
- 14. (SBU) Two other ongoing Chinese-financed projects in Benin include construction of a new office building for the Ministry of Foreign Affairs, and the development of an estimated \$60 million project to extend the cellular phone network (Libercom) of Benin Telecoms, the GOB-owned fixed line monopoly (Ref C). The state-owned Chinese telecom company ZTE implements the latter project.
- 15. (SBU) Currently, China sends humanitarian health missions to Benin to provide public health care to local communities, cooperates with Benin in research involving traditional medicine, and medical training (Beninese medical students are sent to China for training). In addition, the Chinese built a hospital in Lokossa and have provided medical equipment to hospitals (scanners, and other equipment).
- $\underline{\ \ }$ 6. Possibilities for future US/China cooperation in Benin could include health sector programming.

- ¶7. (U) Trade: According to the Economist Intelligence Unit, in 2005 an estimated 32% of Beninese exports went to China and 39% of Beninese imports originated there. Chinese sources indicate that Sino-Beninese trade was valued at 1.09 billion U.S dollars in 2005, which makes China Benin's largest trading partner.
- 18. (SBU) Military: Sino-Beninese cooperation also extends to military activities (REF D). Chinese technicians are currently working with the Beninese to repair and maintain the Navy's only two vessels (other than Boston Whalers or ribs), light patrol vessels, one of which returned to operation earlier this week the first time in four years either one had been seaworthy. The other remains moored at the Port of Cotonou.
- 19. (U) Background: China and Benin have enjoyed healthy and stable relations since resuming diplomatic ties 34 years ago under former President Kerekou's Marxist and revolutionary regime. Since 1972, China has provided 200 million U.S. dollars worth of aid to Benin, offering training programs; helping develop fisheries, agriculture and industry; and financing infrastructure. Benin and China have had diplomatic relations since 1972 and during its revolutionary period Benin allied more closely with China than with the Soviet Union. The Chinese have a large embassy in Benin and a cultural center.

BROWN